



**BLACK RANGE  
MINERALS**

**ASX Release**

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**Tuesday 31 October 2006**

**BLACK RANGE MINERALS  
LIMITED**

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**Directors / Officers:**

Alan Scott  
Michael Haynes  
Matthew Wood  
Timothy Flavel

**Issued Capital:**

524.2 million shares  
109.3 million options

**Australian Stock Exchange**  
Symbol: **BLR & BLRO**

## SEPTEMBER 2006 QUARTERLY REPORT

### HIGHLIGHTS

#### BASE METALS

- Secured an exclusive option to acquire a 90% interest in the historic high-grade Ferris-Haggerty Copper Deposit in Wyoming, USA.
- Ore grades during historic production averaged 20% copper.
- Remaining unmined ore estimated to comprise **at least 1mt at 5-6% copper and 3-4g/t gold.**
- No exploration drilling has ever been undertaken.
- Considerable potential to delineate further high-grade mineralisation.
- Exceptional near-term production opportunity.
- Scoping study at Koonenberry Base Metal Project progressing well.
- Evaluating economics of open-pit and underground development of the resource, which now comprises **5.75mt at 1.03% copper, 0.35% zinc, 2.30g/t silver and 0.05g/t gold for 60,000 tonnes of contained copper.**
- Exploration of the Koonenberry Project to be fast-tracked by conducting an airborne EM survey over the entire project during December 2006 / January 2007.
- On completion of airborne EM survey and scoping study the Company will be exceptionally well positioned to make an informed decision on how best to advance the project to production, and where future drilling should be focussed.

#### URANIUM

- The Company's inaugural drilling programme at its Eagle and Cyclone Rim Uranium Projects in Wyoming has commenced.
- This drilling programme will facilitate calculation of JORC compliant resources.
- Based on results from approximately 200 previous drill holes the Company estimates that there are **at least 2 million pounds of U<sub>3</sub>O<sub>8</sub> at the Eagle Uranium Project and a further 3 million pounds U<sub>3</sub>O<sub>8</sub> at the Cyclone Rim Uranium Project.**
- Interpreted high-grade extensions to known mineralisation will also be evaluated during drilling.
- Negotiations to acquire numerous additional advanced uranium projects continue to progress well.

#### CORPORATE

- Placement to raise \$3.12million successfully completed.
- Share Purchase Plan to raise a further \$1million also completed successfully.
- Current cash reserves of approximately \$4.4million.

## **FERRIS-HAGGERTY COPPER DEPOSIT, WYOMING, USA**

The Company has secured an exclusive option to earn up to a 90% interest in the historic high-grade Ferris-Haggerty Copper Deposit, located in southern Wyoming, USA.

This acquisition provides the Company with an exceptional near-term production opportunity, together with an outstanding exploration play.

The Ferris-Haggerty Copper Deposit was discovered in 1897 and was brought into production the following year. Two shafts and several adits were used to explore and develop the deposit to a depth of approximately 200 metres. The main orebody averages eight to ten metres in width, but is up to 20 metres wide in places. The orebody grades 6% to 8% copper and 3g/t to 4g/t gold. Mineralisation remains open at depth and numerous additional lodes remain untested.

Historic mining focused almost exclusively on the upper portion of the orebody. Weathering resulted in substantially enriching the upper zones of the deposit and mined grades averaged over 20% copper.

Mined ore was transported by what was at the time, the world's longest aerial tramway, to a purpose-built mill and smelter complex located in the foothills of the Medicine Bow Range, some 25km away. At that time the Ferris-Haggerty Copper Deposit was the 27<sup>th</sup> largest copper mine in the world.

Mining operations ceased in 1908, when fire destroyed the mines' processing facilities and a drastic decline in copper prices precluded the viability of rebuilding the facilities. Records indicate that approximately 10,000 tonnes of copper were produced from the mine prior to its closure.

No mining or modern exploration has been undertaken at the project subsequently.

Based on results of previous work, the Company estimates that there are **at least 1 million tonnes of unmined ore remaining within the lower, explored but undeveloped portions of the Ferris-Haggerty Copper Deposit, at grades of 5% to 6% copper and 3g/t to 4g/t gold.** No exploration drilling has ever been undertaken. There is considerable potential to discover additional mineralisation both at depth and along strike from the known deposit.

**Exceptional near-term production opportunity**

**The Ferris-Haggerty orebody grades 6-8% copper and 3-4g/t gold**

**Ore grades during historic mining averaged 20% copper**

**Was the world's 27<sup>th</sup> largest copper deposit**

**No mining or exploration since 1908**

**At least 1 million tonnes of unmined ore remaining at grades of 5-6% copper and 3-4g/t gold**

## **KOONENBERRY BASE METAL PROJECT, NEW SOUTH WALES**

Following the recent discovery of the Peveril Copper Deposit, the successful extension of the Grasmere Copper Deposit, and the 1,000% increase in the resource base to **5.75mt at 1.03% copper, 0.35% zinc, 2.30g/t silver and 0.05g/t gold for 60,000 tonnes of contained copper**, the Company has commenced a scoping study to evaluate the economics of establishing a mining operation at its 100% owned Koonenberry Base Metal Project in New South Wales. This study is progressing well, and will continue through the December quarter.

**Scoping study progressing well**

**Exploration conducted over just 4km to date**

**Over 50km of prospective mineralised horizon remains untested**

**Airborne EM survey to fast-track regional exploration**

To date only four kilometres of the stratigraphic horizon that hosts the mineralisation at the Koonenberry Project has been explored. Considerable potential remains to extend the mineralisation at the Grasmere and Peveril Deposits with further exploration. More than 50 kilometres of the prospective mineralised horizon located within the Company's exploration licences remains untested.

The Company will fast-track exploration of this 50 kilometre long highly prospective strike extension by conducting an airborne EM survey over the entire project. This survey will allow the rapid identification and direct detection of additional deposits similar to the Grasmere and Peveril Deposits. The airborne EM survey will commence as soon as a suitable aircraft is available, which is expected to be during December 2006 or January 2007.

The duration of the regional airborne EM survey is expected to be less than 1 week. Data from this survey should therefore be available around the same time that conclusions from the scoping study are drawn. At that time the Company will be exceptionally well positioned to make an informed decision on how best to advance the project to production, and where future drilling should be focussed.

## **EAGLE AND CYCLONE RIM URANIUM PROJECTS, WYOMING, USA**

The Company has commenced its inaugural drilling programme at the Eagle and Cyclone Rim Uranium Projects, located in southern Wyoming, USA.

Approximately 80 holes have been previously drilled at the Eagle Project and a further 115 holes have been drilled at the Cyclone Rim Project. Based on results from these drill holes the Company estimates that approximately 2 million pounds of U<sub>3</sub>O<sub>8</sub> have been delineated at the Eagle Project and a further 3 million pounds of U<sub>3</sub>O<sub>8</sub> at the Cyclone Rim Project. No

**Drilling has commenced at the Eagle Uranium Project**

**Historic drilling indicates presence of approximately 5 million pounds of U<sub>3</sub>O<sub>8</sub>**

**No exploration since the 1970's**

**JORC-compliant resource calculation imminent**

**Negotiations to acquire additional advanced uranium projects progressing well**

**Cash reserves of approximately \$4.4million**

exploration has been undertaken at either the Eagle or Cyclone Rim Projects since the 1970's and considerable potential remains to extend these resources along strike and at depth.

On completion of the drilling programmes the Company anticipates releasing JORC compliant resource calculations for both deposits. Interpreted high-grade extensions to known mineralisation will also be evaluated during drilling.

Both deposits are shallow and amenable to in-situ leaching and or open pit mining. These deposits provide the Company with a near term production opportunity.

## **NEW PROJECTS**

The Company is continuing with negotiations to acquire several additional advanced uranium projects in the USA. These are located in jurisdictions that are highly amenable to exploration and development.

## **CORPORATE**

The Company successfully completed the placement of approximately 65 million ordinary shares at \$0.048 per share to raise approximately \$3.12million.

The Company also successfully completed a Share Purchase Plan for existing shareholders, raising a further \$992,000 by way of issue of 20.67 million ordinary shares at \$0.048 per share.

The Company's cash reserves, including refundable environmental bonds, are currently approximately \$4.4million.

**Mike Haynes**  
**Managing Director**

*The information in this report that relates to Mineral Resources is based on information compiled by Mr. Peter Ball, who is a member of The Australian Institute of Mining and Metallurgy. Mr. Peter Ball is the Manager of Data Geo. Mr. Peter Ball has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Peter Ball consents to the inclusion in the report if the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Ben Vallerine, who is a member of The Australian Institute of Mining and Metallurgy. Mr Vallerine is a Senior Geologist of MQB Ventures Pty Ltd. Mr. Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Vallerine consents to the inclusion in the report if the matters based on his information in the form and context in which it appears.*